

In Re: United Companies Lending
Corporation

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) Docket No. 96- -B
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AFFIDAVIT OF JANET

Janet , on oath, states as follows:

1. I live in Fair Haven, Vermont.
2. I own my home.
3. I work at Carvey's restaurant in Fair Haven as a dishwasher and prep cook. I have worked there for more than 6 years. My salary is \$5.00 per hour and has been \$5.00 per hour from before December of 1994. I work about 45 hours per week, and have worked about 45 hours per week since before December of 1994. Altogether, I have been working as a dishwasher and prep cook for about 10 years.
4. I was born on March 24, 1941.
5. I attended school through the eighth grade.
6. I did not learn to read or spell very well in school, and though I have tried to teach myself over the years, I do not consider myself a good reader or speller.
7. During late November or early December of 1994, a thermal window salesperson telephoned me at my home and offered a free estimate for purchase and installation of replacement windows for my home. I did not invite the telephone call. I had not asked for any information from the thermal window company before the telephone call.
8. I told the salesperson over the telephone that I did not have any extra money to pay for windows, but I accepted the offer for a free estimate. Mr. Miller, of Thermal Guard of Vermont, came to my home on about December 4, 1994 to do the estimate.
9. During the December 4th visit I told Mr. Miller that I had monthly payments on debts to Finger Hut, Rita Porter and Plaza Appliance Center, as well as to Rutland West for my mortgage.
10. During the December 4th visit Mr. Miller told me that he knew of a lending company that would lend me money to pay off all of those debts as well as pay for new thermal windows.

11. I told Mr. Miller during the December 4th visit that I could not afford more than \$200-250 per month as a payment for the loan that would cover debts that I was already paying and the thermal windows. I understood that unlike my payment to Rutland West, payment on a loan through the lending company Mr. Miller was talking about would not cover my property taxes. I knew that after the new mortgage payment I would have to make an additional payment for my property taxes, which comes to about \$75.00 per month. I also have to pay for insurance on the house, which comes to about \$15.00 per month.

12. During the December 4th visit Mr. Miller telephoned a lending company and gave them information about me. After speaking to the company over the phone, Mr. Miller told me that the company would lend me the money.

13. I signed a contract to buy the new windows during the December 4th visit, after Mr. Miller told me that the company would lend me the money.

14. I signed a loan application that had been filled out by Mr. Miller during his visit to my home on about January 10, 1995 (copy attached as Exhibit 1, and incorporated herein).

15. I received papers by mail from United Companies Lending ("United Companies") and signed them on about January 16, 1995 (copies attached as Exhibit 2, and incorporated herein). None of these papers stated the monthly payment. I did not understand from any of the papers how much the fees on the loan were, and how much I was going to have to pay back to United Companies in addition to the money they were lending me to pay my existing debts and for the new thermal windows.

16. On January 25, 1995 I went to the McDonald's restaurant in Rutland City, Vermont with my son for the loan closing. There I met for the first time United Companies' lawyer and two other men from the company.

17. I was surprised to see at the McDonald's that United Companies had a lawyer for my loan, and I was surprised to learn that I would be paying for United Companies' lawyer.

18. If I had understood that United Companies would have a lawyer, I would have gotten legal advice for myself.

19. When I walked into the McDonald's I knew that the monthly payment would be more than \$250.00. I did not find out that the monthly payment would be \$359.90 until United Companies' lawyer went over the loan papers with me in McDonald's that day. I never expected the monthly payment to be so much more than \$250.00.

20. When I was sitting at the table at the McDonald's with United Companies' lawyer and the other two men and my son, I felt as though I had to go ahead and sign for the loan, even though the monthly payment was going to be so much higher than I expected, and even though I would have to pay back so much money that was being charged to me in fees. I felt as though I had to go ahead and sign for the loan because I agreed to buy the thermal windows and I had no

other way to pay for them.

21. I did not understand when I applied for the loan or when I took the loan money what it meant to shift the Finger Hut, Rita Porter and Plaza Appliance Center debts into a mortgage debt. Now I understand that I have promised my home as security for the loan from United Companies, including the amount that went to pay off Finger Hut, Rita Porter and Plaza Appliance Center. I did not understand that before I borrowed the money from United Companies I probably would not have lost my home if I became unable to make payments on the debts to Finger Hut, Rita Porter and Plaza Appliance Center. Now I know I could lose my home if I become unable to make payments on the United Companies loan.


22. I did not understand when I applied for the loan or when I took the loan money that by shifting the debts that I had to Finger Hut, Rita Porter and Plaza Appliance Center into a mortgage debt, I stretched out payment of the amount of the Finger Hut debt from a period of 13 months to a period of 180 months; on the amount of the Rita Porter debt from a period of 8 months to a period of 180 months; on the amount of the Plaza Appliance Center debt from a period of 4 months to a period of 180 months. I now understand that I would have been free of those debts almost a year ago if I had just kept on paying them instead of shifting them into a mortgage debt.

23. I did not understand when I applied for the loan or when I took the loan money that the mortgage loan from United Companies requires me to pay more than \$5,000 over 180 months instead of nearly \$2,300 over 13 months for my debts to Finger Hut, Rita Porter and Plaza Appliance Center.


24. I have been unable to keep up with the payments on the United Companies loan, as well as on my property taxes and other bills. Right now I am about 4 months behind on my United Companies loan. United Companies has contacted me repeatedly by phone and by mail to demand payment.

25. I received a certified letter from United Companies on January 7, 1997 saying that they would accelerate my loan in 30 days if I do not pay \$1,133.70.

Dated at FAIR HAVEN, Vermont this 22 day of January, 1997.


Janet

Subscribed and sworn to before me, this 22 day of January, 1997.


Notary Public
Commission Expires 2/10/99